

## REMARKS

Applicants reply to the Advisory Action dated March 2, 2012. In the final Office Action dated December 29, 2011, the Examiner rejects all pending claims 17-21 and 24-33. In the Reply to the final Office Action, Applicants added new claim 34. Applicants assert that the application is in condition for allowance and reconsideration of the pending claims is requested.

### Examiner Interview

Applicants would like to thank the Examiner for taking the time to discuss the application with Applicants' Attorney, Mark Williams (Reg. No. 64,425) on March 27, 2012. While no agreement regarding the claims and cited references was reached, Applicants appreciate gaining a further understanding of the Examiner's perspective on the presently pending claims and cited references.

### Rejections Under 35 U.S.C. § 103(a)

In the Advisory Action, the Examiner states the amendments and remarks in the Reply to final Office Action fail to place the claims in condition for allowance because the cited references render the claims obvious. Applicants respectfully disagree. In the final Office Action dated December 29, 2011, the Examiner rejected claims 17-21 and 24-33 under 35 U.S.C. § 103(a) as being unpatentable over Fredregill (U.S. Patent Application No. 2005/0144074) in view of Davis (U.S. Patent Application No. 2004/0193491), in view of Musharbash (U.S. Patent No. 7,096,164), and further in view of Donkken (U.S. Patent Application No. 2003/0225619).

Fredregill discloses an on-line shopping system that can be associated with a loyalty account. However, Fredregill does not disclose a logic based point conversion ratio based on the type of loyalty points used and the type of item being purchase. In fact, all of the points in Fredregill have the same value. Applicants note that the Examiner cites Dokken, which discloses a single "settlement point" or exchange for converting various types of loyalty points to a uniform value. However, it was noted previously, but it is important to re-emphasize that *Dokken specifically discloses that points can be combined, debited, and/or credited, regardless of the type of good or service being purchased. See Dokken, ¶0044. See also, Final Office Action, dated Dec. 29, 2011, p. 10.*

In the previous Reply, Applicants amended the currently pending claims to include “identifying, by the computer based system, a loyalty point type associated with the non-tangible item, wherein the non-tangible item is purchased with loyalty points of the identified loyalty point type, *wherein the loyalty point type is a type of loyalty points provided by a loyalty point issuer that has authorized the loyalty points to be redeemed for the non-tangible item,*” (emphasis added), as similarly recited in independent claims 17, 27 and 28. Applicants respectfully submit that none of the cited references, alone or in combination, teach a system that is capable of determining whether an item can be purchased in a particular type of loyalty points. During the Examiner interview and in the Advisory Action, the Examiner noted that the Fredregill discloses a system that checks whether a item being purchased has a “redeemable status.” *See*, Fredregill, ¶0065. However, when read in context, Fredregill does not evaluate what type of loyalty points are being redeemed, but rather, whether loyalty points can be redeemed at all. Further, to impose the functionality of the claims on the combination of Fredregill and Dokken, would render the combination unsatisfactory for its intended purpose. *Dokken provides that points can be used to purchase a good or service, regardless of the type of good or service being purchased.* In other words, Dokken teaches that any points may be used to purchase any item. Therefore, imposing the functionality of only certain types of loyalty points being used to purchase certain types of items would frustrate the core functionality of Dokken.

Moreover, like Fredregill and Dokken, neither Davis, nor Musharbash discloses a system that limits the ability to purchase certain items with particular types of points.

As such, Applicants maintain that the cited references alone or in combination do not disclose or contemplate at least, “identifying, by the computer based system, a loyalty point type associated with the non-tangible item, wherein the non-tangible item is purchased with loyalty points of the identified loyalty point type, *wherein the loyalty point type is a type of loyalty points provided by a loyalty point issuer that has authorized the loyalty points to be redeemed for the non-tangible item,*” “calculating, by the computer based system, a first amount of loyalty points of a first non-identified loyalty point type that is equal to a second amount of loyalty points of an identified type based on the conversion ratio, *wherein the first non-identified loyalty point type is converted to the identified type to be used to purchase the non-tangible item*” or “displaying, by the computer based system and *in response to the authorization*, in a shopping cart format *a first transaction record associated with the non-tangible item and a second transaction record*

*associated with a transfer of the third amount of loyalty points of a second non-identified type.*

wherein the first transaction record displays the purchase amount of loyalty points of the first identified type” (emphasis added), as similarly recited in independent claims 17, 27 and 28.

Furthermore, claims 18-26 and 29-34 variously depend from independent claim 17. As such, Applicants assert that claims 18-26 and 29-34 are differentiated from the cited references for the same reasons as set forth above, in addition to their own novel features. Thus, Applicants respectfully request allowance of all pending claims.

When a phrase similar to “at least one of A, B, or C” or “at least one of A, B, and C” is used in the claims or specification, Applicants intend the phrase to mean any of the following: (1) at least one of A; (2) at least one of B; (3) at least one of C; (4) at least one of A and at least one of B; (5) at least one of B and at least one of C; (6) at least one of A and at least one of C; or (7) at least one of A, at least one of B, and at least one of C.

Applicants respectfully submit that the pending claims are in condition for allowance. The Commissioner is hereby authorized to charge any fees which may be required, or credit any overpayment, to Deposit Account No. **19-2814**. If an extension of time is necessary, please accept this as a petition therefore. Applicants invite the Office to telephone the undersigned if the Examiner has any questions regarding this Reply or the present application in general.

Respectfully submitted,

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